

## Message Text

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ACTION EB-07

INFO OCT-01 EUR-12 NEA-10 ISO-00 ACDA-07 OPIC-03 DOTE-00  
AGRE-00 CEA-01 CIAE-00 COME-00 DODE-00 FRB-03 H-01  
INR-07 INT-05 L-03 LAB-04 NSAE-00 NSC-05 PA-01 AID-05  
CIEP-01 SS-15 STR-04 ITC-01 TRSE-00 USIA-06 PRS-01  
SP-02 OMB-01 /106 W  
-----300943Z 029619 /10

R 300855Z DEC 76  
FM AMEMBASSY KUWAIT  
TO SECSTATE WASHDC 6945  
INFO AMEMBASSY LONDON

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E.O. 11652: N/A  
TAGS: EFIN, KU, EAL  
SUBJ: ECONOMIC ALERT LIST: KUWAIT INVESTMENT PRACTICE

REF: EAL MEA NOV 1976 - MAR 1977, P. 10, KUWAIT QUESTIONS 2 AND 3

1. IN RESPONSE QUERY BY EMBOFF DEC 27, KNOWLEDGEABLE KUWAITI  
OFFICIAL OF FINANCE MINISTRY'S INVESTMENT DEPARTMENT SAID  
KUWAITI INVESTMENT OFFICE (KIO) IN LONDON HANDLES UK AND  
EUROPEAN INVESTMENTS FOR FOREIGN MINISTRY. KIO IS RUN BY  
MEMBER OF RULING FAMILY, FAHD MUHAMMAD AL-SABAH, WHO STUDIED  
ECONOMICS IN UK. OFFICE HAS FOUR KUWAITI EMPLOYEES PLUS  
ABOUT A DOZEN OTHER, MOSTLY BRITISH, EMPLOYEES. KIO HAS  
AUTHORITY TO MAKE PORTFOLIO INVESTMENTS WITHOUT CONSULTING  
THE MINISTRY, BUT MUST OBTAIN MINISTRY'S PERMISSION FOR ANY  
REAL ESTATE INVESTMENT. INVESTMENT DEPARTMENT OFFICIAL ADDED  
THAT MINISTRY CONSIDERING OPENING UP OFFICE IN NEW YORK  
SIMILAR TO THAT IN LONDON IN NOT TOO DISTANT FUTURE.

2. INVESTMENT DEPARTMENT OFFICIAL SAID HE KNEW OF NO KUWAITI  
POLICY TO ENCOURAGE INVESTMENT IN FOREIGN PLANTS WHICH IN TURN  
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SEND THEIR PRODUCTS TO KUWAIT. IN FACT, OFFICIAL NOTED,  
MINISTRY FOLLOWS GENERAL POLICY OF LIMITING EQUITY INVESTMENT  
IN ANY COMPANY TO MAXIMUM OF FIVE PERCENT OF GIVEN COMPANY'S  
SHARES SO AS TO AVOID ADVERSE PUBLICITY. IN TERMS OF PRO-  
DUCTION TIED TO INVESTMENT, ONLY RECENT EXAMPLE OFFICIAL  
COULD THINK OF WAS KUWAITI INVESTMENT IN YUGOSLAV PIPELINE.

IN THIS CASE, HOWEVER, INVESTMENT WAS TIED TO KUWAITI EXPORT  
OF PIPE TO YUGOSLAVIA RATHER THAN TO YUGOSLAV PRODUCTION  
OF GOODS FOR KUWAIT.  
MAESTRONE

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NNN

## Message Attributes

**Automatic Decaptioning:** X  
**Capture Date:** 01 JAN 1994  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** FOREIGN INVESTMENT  
**Control Number:** n/a  
**Copy:** SINGLE  
**Draft Date:** 30 DEC 1976  
**Decaption Date:** 01 JAN 1960  
**Decaption Note:**  
**Disposition Action:** RELEASED  
**Disposition Approved on Date:**  
**Disposition Authority:** ElyME  
**Disposition Case Number:** n/a  
**Disposition Comment:** 25 YEAR REVIEW  
**Disposition Date:** 28 MAY 2004  
**Disposition Event:**  
**Disposition History:** n/a  
**Disposition Reason:**  
**Disposition Remarks:**  
**Document Number:** 1976KUWAIT06015  
**Document Source:** CORE  
**Document Unique ID:** 00  
**Drafter:** n/a  
**Enclosure:** n/a  
**Executive Order:** N/A  
**Errors:** N/A  
**Film Number:** D760475-1262  
**From:** KUWAIT  
**Handling Restrictions:** n/a  
**Image Path:**  
**ISecure:** 1  
**Legacy Key:** link1976/newtext/t1976124/aaaaadda.tel  
**Line Count:** 65  
**Locator:** TEXT ON-LINE, ON MICROFILM  
**Office:** ACTION EB  
**Original Classification:** LIMITED OFFICIAL USE  
**Original Handling Restrictions:** n/a  
**Original Previous Classification:** n/a  
**Original Previous Handling Restrictions:** n/a  
**Page Count:** 2  
**Previous Channel Indicators:** n/a  
**Previous Classification:** LIMITED OFFICIAL USE  
**Previous Handling Restrictions:** n/a  
**Reference:** 77 KUWAIT 2  
**Review Action:** RELEASED, APPROVED  
**Review Authority:** ElyME  
**Review Comment:** n/a  
**Review Content Flags:**  
**Review Date:** 19 MAY 2004  
**Review Event:**  
**Review Exemptions:** n/a  
**Review History:** RELEASED <19 MAY 2004 by BoyleJA>; APPROVED <15 SEP 2004 by ElyME>  
**Review Markings:**

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**Review Media Identifier:**  
**Review Referrals:** n/a  
**Review Release Date:** n/a  
**Review Release Event:** n/a  
**Review Transfer Date:**  
**Review Withdrawn Fields:** n/a  
**Secure:** OPEN  
**Status:** NATIVE  
**Subject:** ECONOMIC ALERT LIST: KUWAIT INVESTMENT PRACTICE  
**TAGS:** EFIN, EALR, KU  
**To:** STATE  
**Type:** TE  
**Markings:** Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 04 MAY 2006